News

ARIZONA

Department of Revenue

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E-FILE POPULAR WITH ARIZONA TAXPAYERS

There has been a ten per cent increase over last year in the number of taxpayers who have e-filed their Arizona individual income tax returns. 271,183 e-filed returns were received through February 13, 2004, compared with 246,831 at the same time last year. This is 68% of the returns that have been received by the Arizona Department of Revenue (DOR).

Refunds totaling \$107.4 million have already been issued to 268,413 taxpayers, with the average refund being \$400.18. The direct deposit option was chosen by 132,224 taxpayers. Last year's numbers were \$96.3 million to 212,783 taxpayers, with an average refund of \$452.73, and only 104,386 direct deposits.

Taxpayers who e-filed and chose the direct deposit option have found the refund deposited in their bank accounts in as few as 4 days. Currently, taxpayers who mailed their returns are waiting a

minimum of two weeks for their refunds if there are no errors on the return.

"E-filed returns avoid some of the pitfalls of processing, because there are automated accuracy and math checks of the information on the return before it is actually filed," explained DOR Director Elliott Hibbs. "This accuracy check, along with the elimination of mailing time, and the direct deposit option results in quicker refunds for Arizona taxpayers."

E-filing is advantageous for taxpayers who are not expecting a refund also. They benefit from the accuracy and math checks, and they can use the "file now, pay later" option by using Electronic Funds Withdrawal (direct debit). If a balance is due on the e-filed return, the direct debit option allows the taxpayer to file today and specify a future payment date up to and including April 15. On the specified date, the funds are transferred from the taxpayer's bank account directly to the Department of Revenue. Or, taxpayers can choose to e-file now and mail a check later if they prefer.

"I always e-file my return, and I highly recommend that others do the same. It's the quickest way to get your refund from the state," concluded Hibbs.

Over 50% of Arizona taxpayers are eligible for free e-filing of their Arizona returns. Full details are available on the Internet at www.revenue.state.az.us.